

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1931 - SB 2106**

February 8, 2014

**SUMMARY OF BILL:** Adds that in addition to rebates, grants and scholarships, incentives provided by the Board of Trustees of the Baccalaureate Education System Trust Fund Program (the Board), to Tennessee residents who establish a college savings account, may also consist of tax incentives, including, but not limited to, the Hall Income Tax, the professional privilege tax, the passenger motor vehicle registration renewal fee and/or the wheel tax. Authorizes the Treasurer, through the Board's delegation, to administer a plan to implement the incentives, which the Treasurer may change from time to time without additional Board authorization. Authorizes the Treasurer to use forms of electronic payment, including, but not limited to, prepaid debit cards to provide such incentives. Requires the Department of Revenue to assist the Board in the implementation of tax incentives, including, but not limited to, including college savings plan incentive inserts in the department's mailings of registration and tax notifications, providing college savings plan incentives information with any website renewal, sending other notifications about college savings incentives by electronic means, and providing information about college savings incentives through any other web-based means. Requires the Board to pay the increased cost of mailing, for any insert which causes the total postal weight to be over one ounce.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- According to the Department of Treasury, this bill will impact the Department by allowing the Board, which is administratively attached to the Department, to establish more than one college savings plan, and to establish and implement a greater amount of incentives to encourage Tennessee residents to contribute to a college savings plan.
- In the event the Board delegates the authority to implement any incentive programs it establishes, the department may be required to undertake additional duties in such implementation. However, any costs to the department associated with the implementation of this bill are estimated to be not significant and can be accommodated within the department's existing resources.
- Any fiscal impact to the Department of Revenue to assist the Board in the implementation of tax incentives is estimated to be not significant and can be accommodated within existing resources of the department.

**HB 1931 - SB 2106**

- Any increase in expenditures to the Board, resulting from the increased cost of mailing for any insert which causes the total postal weight to be over one ounce, is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/bos